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SUBJECT: UPDATE ON USAID/OFDA-FUNDED ACTIVITIES IN EAST TIMOR

REF: A) DILI 0065, B) DILI --179

Summary

¶1. USAID/OFDA Bangkok-based Regional Advisor for Asia and the Pacific (RA) traveled to East Timor June 4 - 7, 2007 to monitor ongoing USAID/OFDA-funded emergency and mitigation programs, and assess the humanitarian situation in Dili. Outbreaks of violence continue to be a part of daily life in Dili, resulting in the prolonged displacement of approximately 100,000 people. There has been little positive change with regard to the Internally Displaced Person's (IDP) crisis affecting the capital city since the RA's last visit in February 2007. Of the estimated 100,000 IDPs, approximately 30,000 are located in 45 camps in and around Dili, and the remaining 70,000 live with host families in the districts outside of the capital. With no realistic expectation that the IDP situation will change for the better until sometime after the June 30 parliamentary elections, relief organizations are currently planning to continue providing humanitarian assistance to the displaced populations through the end of December 2007. Since the outbreak of the displacement crisis in May 2006, USAID/OFDA has obligated a total of USD 1,970,836 in emergency funding, of which USD 995,241 has been programmed in FY 2007. USAID/OFDA implementing partners include CARE, Catholic Relief Services (CRS) and the United Nations Children's Fund (UNICEF). End Summary.

General Situation Overview

¶2. It is assumed by most humanitarian actors in Dili that any shift in the current IDP crisis will not occur until sometime after the June 30, 2007 parliamentary elections. As it will take time for the new government to organize itself, approve a budget and, hopefully, agree on a policy for enhancing security and addressing the IDP crisis, most implementing agencies are planning to continue provision of humanitarian assistance through December 2007. In line with this, USAID/OFDA is currently in discussions with its two primary implementing

partners, CARE and CRS, to extend current emergency activities in the IDP camps through September 2007 via no-cost extensions, and potentially through December 2007 via small-scale cost extensions.

13. The sitting Government of East Timor (GOET) has done little over the past five months to resolve the ongoing IDP crisis, which has displaced some 100,000 people in and around Dili. Back in February, it appeared as though the GOET's efforts to move to a needs-based distribution of food and non-food items in IDP camps were gaining momentum. Four months on, however, targeted distribution of humanitarian assistance has yet to come to fruition. Additionally, there has not been a formal registration process in the IDP camps, and it is clear that significant portions of those currently receiving relief supplies are living with one foot in the camps and one foot in their homes. Until the GOET puts in place a comprehensive approach to resolving the current crisis, which addresses issues such as security, conflict resolution, land rights, and high unemployment amongst the 18 to 35 age bracket, to name a few, it is unlikely that the IDPs will be interested in changing their current status quo existence. What is nearly certain, however, is that any such move towards IDP policy formulation and implementation will not come until sometime after the June 30 elections.

14. While the May 2007 presidential election was relatively violence-free, Dili continues to be plagued by sporadic clashes between rival youth and martial arts gangs. The ongoing civil unrest throughout the city is the primary reason given by IDPs residing in camps for why they will not return to the homes from which they have fled. Of the approximately 100,000 IDPs, 6,000 households, or around 30,000 people, have actually lost or had their homes damaged as a result of the violence. Of this figure, only 600 cases have been officially verified, according to discussions with the Norwegian Refugee Council (NRC).

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15. For the approximately 70,000 IDPs who have not lost or had their homes damaged, but continue to reside in camps or host family situations, most list security, or lack thereof, as the primary reason why they refuse to return to their homes. Without formal reconciliation processes and bolstered police units visibly stationed in areas of continued violence, IDPs are reluctant to leave the relative security of the camps.

16. While security may be stated as being the most pressing concern amongst the IDP population, the reasons for their remaining in camps or host family situations are more complex. Land title and land rights are also at issue in many of the IDP cases. It is estimated that significant numbers of the IDP population do not hold proper title to the homes from which they fled. In some cases, the homes of these former squatters, who are now IDPs, have been taken over by new squatters, leaving the IDP families with little recourse to reclaim the property.

17. With no registration in the camps having taken place to date, and no real vulnerability assessment having been implemented, there is currently no way to properly target relief assistance in the camps or host family situations. As such, general distribution of supplies continues. Some of the individual camp managers have decided on their own to institute a registration policy, primarily in order to track the comings and goings of people residing in the camps, and this is helping to remove ghost beneficiaries from distribution lists. However, it is critical that both the GOET and the United Nations (UN) support efforts to register IDPs and conduct vulnerability assessments in order to properly target relief assistance and reduce the chances that a dependency mentality will take hold amongst the IDPs.

¶8. The 2007 Consolidated Appeal (CAP) for East Timor will be complete as of the end of June 2007. To date, of the USD 16,578,930 requested in the CAP issued in January 2007, appealing organizations have received USD 10,400,000. With the IDP situation expected to continue through December 2007, a second 2007 CAP is in the process of being drafted, with an expected launch date of July 2007.

¶9. In discussions with some non-governmental organizations implementing both emergency and longer-term development programs in East Timor, concern was voiced that another CAP, if not clearly focused on addressing the displacement crisis, may inadvertently lead to the expansion of emergency humanitarian interventions in lieu of addressing more chronic development problems in East Timor. The concern with this is that such humanitarian interventions, especially large-scale food aid distribution and cash for work projects not properly targeted or well designed, may break down traditional community volunteerism and participation in community development programs, and lead to an entitlement mentality amongst beneficiary villages. It would be the position of USAID/OFDA that any continuation of humanitarian assistance under a CAP be limited and appropriately targeted to meet the needs of the most vulnerable populations affected by the current displacement crisis, while more chronic issues such as food insecurity, malnutrition and gaps in the public health system, be addressed through appropriate development interventions.

¶10. Many of the 100,000 IDPs have been in camps or host family situations for more than a year now. The UNHCR tents provided at the outset of the crisis are notionally designed to last approximately six months. As such, the shelter situation in the camps is beginning to deteriorate. According to the International Organization for Migration (IOM), the GOET has approximately 350 tents in reserve, and IOM currently has an order in for 850 additional tents. As many of the tents currently in use will need replacing in the near future, IOM plans to request an additional 4,000 tents under the upcoming CAP.

¶11. In an effort to begin the process of reintegration and, in

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some cases, relocation, the GOET and NRC have partnered to construct a total of 444 transitional shelter units in five separate locations in and around Dili. Each transitional shelter settlement consists of 16 square meter housing units, each with a door, window and porch area, latrines, communal kitchen space, with each household having access to an individual hearth/cooking station, and adequate water points. Per NRC, the goal is to limit the number of users per latrine to approximate 10 to 15, or around two to three families (SPHERE minimum standards are one latrine per 20 people). In the camp visited by USAID/OFDA RA, there was adequate water/sanitation facilities and space for creation of recreation areas and safe spaces for children, though NRC needs to identify partner agencies to manage such interventions.

¶12. Of the 444 units constructed to date, only 155 were occupied as of June 7. The GOET has identified four existing IDP camps as priority camps, which need to be emptied, with the current residents either moving into transitional shelter units, or returning to their homes. The targeted camps include, 1. Hospital Camp; 2. Seaport Camp; 3. O brigado Barracks Camp; and ¶4. Airport Camp. IDPs currently residing in the camps appear reluctant to move to transitional shelter units. It was not clear during the visit if and how the GOET has announced/socialized policies related to how one qualifies for a transitional housing unit. The current status of the transitional housing situation, coupled with other less than successful piecemeal attempts at enticing IDPs to leave their current camps, such as providing qualifying households with in-kind building materials, are examples of how the GOET's efforts at resolving the IDP situation have been poorly planned,

coordinated and executed.

¶13. Service provision in the camps with regard to food distribution, water and sanitation and health care continues to meet the basic minimum needs of the IDPs, though as stated previously in reftel A, the sanitation situation in most of the camps falls short of meeting SPHERE minimum standards. In two of the camps visited by RA, the water supply situation is improving as UNICEF and the Department of Water and Sanitation (DNAS) have been able to access the Dili city water system by tapping into existing mainlines and channeling water to water tanks in the camps - this was observed in the Cathedral camp and the newly expanded Igreja Hosana camp. The UN World Food Program (WFP) will complete its current round of food distribution, providing one month's ration for 100,000 beneficiaries, by June 20. As of June 5, there had been no formal decision made with regard to the continuation of general food distributions beyond the current distribution.

¶14. Protection for IDPs residing in camps remains relatively stable, with CARE and CRS having installed lighting in and around latrine and wash areas, as well as having stationed gate guards at some of camps located in more violence-prone areas. RA was informed that most children in the camps continue to attend schools, either their previous school, or those located around the camps. Camp managers and NGOs leading Site Liaison Support (SLS) have also focused attention on organizing games and sporting events for children in the camps, and bringing together youth from different camps to compete in various events and hold dialogue on issues related to peace-building and reconciliation.

USAID/OFDA Partner Activities

¶16. In FY 2007, USAID/OFDA provided USD 361,102 and USD 434,139 in funding to CRS and CARE, respectively, to continue providing support to IDP camps [Note: CRS' award will end on June 30, 2007 and CARE's award will end on July 31, 2007. End Note]. CRS is presently providing SLS in six camps in Dili, serving a total of 8,087 IDPs, and CARE is serving approximately 10,000 IDPs in 13 camps.

¶17. During the month of May, CRS noted that there were influxes of IDPs into their newest camp site, Igreja Hosana - the camp was non-existent in March 2007, and now houses 472 IDPs. The influxes continue to be associated with on-going security

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problems in Bairo Pite, Hudi Laran and Surik Mas. In addition to the camps in Dili, CRS provides SLS for 12 camps in Baucau District, serving a total of 2,089 IDPs. SLS in all camps consist of serving as a liaison between indigenous camp managers and relevant UN agencies and government departments responsible for provision of sector specific services in the camps, monitoring food aid distribution, undertaking minor repairs and upkeep of water and sanitation facilities, raising the foundations of tents, coordinating and facilitating activities targeting children in the camps, facilitating the provision of public health services through the Ministry of Health, promoting safety and security amongst women and children IDPs, vector control in camps, and distribution of non-food items.

¶19. In addition to the SLS, CARE and CRS continue to promote dialogue and conflict mitigation activities within conflict-affected areas of Dili. CRS currently works with 31 aldeias in Dili's Comoro District to promote peace-building and conflict mitigation activities. During the month of May, CRS facilitated more than seven events, which brought community members together to assess the current situation vis a vis neighborhood violence and its causes, discuss methods of prejudice reduction and strategies for reintegration of IDPs, and promote traditional approaches to reconciliation, such as

the Tarabandu ceremony. CRS also recently launched a new peace-building activity, where it facilitated a dialogue between more than 200 IDPs who fled from the Golgota aldeia and those community members still residing in the neighborhood.

¶20. As mentioned previously, most relief organizations are making arrangements to continue the provision of relief services in IDP camps through year's end. Based on this, CARE and CRS will seek to extend their existing programs, first through no-cost extensions, and then through the submission of cost-extension requests. CRS has recently submitted a no-cost extension request, seeking to continue ongoing activities through September 30, 2007, and CARE is anticipating submitting such a request in the near future. Between now and September, USAID/OFDA will consider the possibility of extending CARE's and CRS' grants through December 2007 via very modest cost-extensions.

¶21. UNICEF: In May 2007, USAID/OFDA provided UNICEF with USD 200,000 to undertake water and sanitation upgrades in camps for which it assumes wat/san responsibility. As of June 5, UNICEF had received 80 percent of the funding requested in their CAP appeal, including USD 550,000 of the USD 770,000 it requested for water and sanitation interventions. UNICEF is currently providing water and sanitation services in 18 camps in Dili and eight camps in Baucau. Funding received under the first 2007 CAP will likely enable UNICEF to continue service provision through July 2007. In line with the general consensus that emergency interventions will be required through December 2007, UNICEF plans to request an additional USD 530,000 under the forthcoming CAP to support the continued provision of water and sanitation services. To its credit, UNICEF has been strongly encouraging its GOET counterpart, DNAS, to take on more of the service delivery and management burden. UNICEF confirmed that the GOET has taken over most water trucking to camps in Baucau District, is seeking longer-term solutions to ensuring water in the Dili camps, such as tapping into the city water system, and that it is in the process of assuming responsibility for environmental sanitation services in most camps. However, UNICEF stated that the GOET currently lacks the capacity to independently upgrade and manage deteriorating water and sanitation facilities in camps.

Way Forward

¶22. Without a concerted and coordinated policy aimed at resolving the root causes of the current IDP crisis, the situation in and around Dili will likely continue unabated for some time to come. Realizing that little will change until the new government is established and a budget has been approved, IDPs currently residing in camps and host family situations continue to play a waiting game to see what the future holds in store for them, while relying on government and foreign donor

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subsidies to meet their basic needs. In order for the GOET to stave off the creation of a permanent welfare situation, formulation of a comprehensive policy that aims to both facilitate the movement of IDPs out of camps, thereby beginning the reintegration/resettlement process, and address underlying security and conflict issues needs to be a leading priority of any new government.

¶23. As a first step in beginning the process of reintegration/resettlement, USAID/OFDA believes that it is imperative for the GOET, the lead UN agencies, and the relevant actors within the International Community in Dili to agree on and institute a comprehensive registration policy that will lead to the following: a) an accurate count of IDPs in camps and host family situations; b) a readily updatable database that can track the coming and going of IDPs for as long as the crisis continues; c) data on IDPs in camps that will allow for a

vulnerability analysis, which will in turn support the move to targeted distribution of relief supplies; and d) an accurate count of the number of households qualifying as having a damaged or destroyed home.

¶24. Towards this end, USAID/OFDA has held discussions with NRC regarding the possible implementation of an IDP registration process. NRC has received notional support from the GOET for instituting a registration process, and will soon begin coordinating a registration working group, which will provide a forum for all relevant stakeholders to discuss and agree on a comprehensive approach to the registration issue. NRC is currently in the process of drafting a formal proposal for consideration by USAID/OFDA, and is seeking to begin registration-related activities shortly after the June 30 elections. While USAID/OFDA will seriously consider NRC's proposal, it is too early to determine whether funding will be forthcoming.

¶25. By extending existing emergency programs through September 2007, and possibly through December 2007, USAID/OFDA implementing partners will continue to meet the basic needs of displaced populations in and around Dili in the short-term. In an effort to kick-start longer-term reintegration and recovery efforts, which should be supported by appropriate donors and funding sources, USAID/OFDA will consider supporting efforts to register IDPs, thereby allowing for the targeted distribution of relief assistance based on proven needs and ideally facilitating the transition of IDPs out of their current camps. To successfully resolve the current displacement crisis, it will be necessary for all stakeholders, GOET, UN, NGOs and donors, to work closely together to formulate and implement a comprehensive policy, which lays the foundation for reintegration/resettlement by addressing security concerns, fostering peace-building and reconciliation amongst conflict-affected communities, providing opportunities to unemployed and disaffected youth, and ensuring that appropriate solutions to current housing and land disputes are reached. Without the institution of a holistic and integrated policy approach to solving the current crisis, the GOET's current piecemeal efforts to address the IDP crisis on a sector by sector basis will have little success.

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